

Price
1961

STATEMENT OF WILLIAM J. WELSH JR., MAYOR
OF PRICE CITY, UTAH and ALSO REPRESENTING THE CITY OF
HELPER AND THE CITY OF WELLINGTON, UTAH BEFORE A HEARING
OF THE UTAH WATER AND POWER BOARD, SALT LAKE CITY, UTAH
CONCERNING THE NORTH SAN PETE WATERSHED PROJECT ON
NOVEMBER 16, 1961

Mr. Chairman and Members of the Board:

I have been authorized to make the following statement on behalf of the City of Price, the City of Helper and the City of Wellington, all in Carbon County, Utah.

Recent controversy over the approval of the proposed North San Pete Watershed Project formerly known as the Goosesberry Project has been active since it was included as a participating project of the Upper Colorado River Storage Project in 1954. If you will recall, the legislation authorizing the project failed in the Congress that year because of lack of time in that session. In 1955 bills authorizing the project were again introduced in the Senate and House and the Goosesberry was again named as a participating project.

Carbon County interests authorized myself and other residents of the County to appear before the Senate and House Committees in Washington to protest the inclusion of the Goosesberry as one of the participating projects in the Upper Colorado River Storage Project legislation. When the legislation was finally worked out in conference and in final passage of the bill, the Goosesberry was deleted insofar as being authorized as a participating project.

We have had several meetings of both a formal and informal nature with the Utah Water and Power Board and with the Soil Conservation Service here in Salt Lake City. The last formal hearing before the Utah Water and Power Board on this subject was in December, 1958 in Price. Meetings with the Administrator, Mr. Don Williams and Mr. John Wetzel of the Soil Conservation Service in Washington, D. C. were held in June, 1961 by myself and again in October, 1961 by Mr. E. J. Skeen, attorney representing Carbon County interests in this matter.

RESOURCES:

The principal resource of the Carbon area is coal. It provides the major payroll of approximately \$20 million annually. This figure is down about \$5 million

from a like period of five years ago. While to some extent, production has held to about 5 millions tons annually, employment in the industry has declined due to mechinization and to shifts in the coal market.

Agriculture has always been a rather stable influence in the area but like other areas of the Western States, this too has experienced a steady decline in farm income and employment. Some of the factors influencing this condition are well known to all of you. In our area, it has not only been market decline in prices but a lack of water to produce a cash crop and also crops that support the livestock industry. The Carbon area is classified as having an unemployment rate of 12% of the available labor force.

One redeeming feature in an otherwise bleak economic picture has been the location of two important additions to the economy that have acted as a buffer against total decline, particularly in the coal industry. I refer to the UP&L Co. Carbon Steam Plant that generates 177,000 kws of power by the use of coal in a mine mouth operation at Castle Gate, Utah. Other speakers will touch on this subject and advise you of the impact of this installation on our economy. Another welcome addition to the tax structure as well as supplying payroll and employment to our people is U. S. Steel Company's washery and dryer plant outside of Wellington on the Price River. This is an important addition to the area and an important addition to the operations of the U. S. Steel Co. in Utah which certainly affects all of us irregardless of where we live.

Naturally, we have other resources of other kinds both natural and human. The most important is the water resource. The water resource in Carbon County is extremely limited for all purposes and it has taken the co-operation of all users to make the best advantage of the existing supply not only for the future but the present as well. Industry and the municipalities have found themselves in dire straits at times due to the water supply and many adjustments have had to be made to satisfy demands for present and anticipated future demands.

As in nearly all areas of the state, the first users beneficially used the waters for irrigation purposes and first rights on the Price River were in the main

allocated for irrigation purposes. The Cities and some existing industries have acquired rights now used by them by purchase of irrigation rights. Under change applications they have converted the nature of use, time of use and points of diversion to a considerable degree from the original decrees that originally adjudicated the stream flows. As an example of this, Price City is now the largest single user of the primary flow of the river holding approximately 40% of the primary water stock in four irrigation companies. In addition to this the city has made substantial purchases of reservoir water stock in Scofield Reservoir. The Cities of Helper and Wellington have followed the same policies in an attempt to not only acquire additional water supplies but to stabilize our useable primary flows which decrease in efficiency during the water year.

Beginning in 1954 and continuing to this date many measures have been taken by the municipalities and the industries to utilize the available supply for the best interests of the people who reside along the Price River and within the drainage of the Price River Watershed.

Perhaps one of the most important steps we have taken insofar as trying to secure additional water for the municipalities and industry has been the formation of the Price River Water Special Improvement District which was organized in March, 1960 and which has and is conducting many explorations into potential projects to take the best advantage of the existing although uncontrolled flood waters of the drainage. The Chairman of that district is here today and will indicate to you that the people of Carbon County are attempting to do something about their own situation.

Price City has just completed a two year project involving a new 16" pipe line, 10 miles long and a new 3 sec ft water filtering plant at a cost of \$654,000.00. Price serves 13,000 with their culinary supply and these new facilities will give us an additional and a supplemental supply during the summer months and full time supply as population increases. Both Price and Helper have embarked on a program of installing underground collection system in their separate spring systems to improve flows in spring areas in an attempt to meet increasing demands for culinary water.

AREA REDEVELOPMENT AND RURAL REDEVELOPMENT DESIGNATION:

As some of you may know, the Carbon Emery Area has been designated as a "Redevelopment Area" or a so-called distressed area. This is a designation recognized under the Area Redevelopment Act signed into law by President Kennedy in May, 1961. As I previously mentioned, this designation was given to the Price Area, which includes both Carbon and Emery Counties because of the 12% unemployment rate as being one of a chronic or persistent nature. As such, Federal Assistance of various kinds and from 17 different Federal Agencies, Bureaus, and Administration is available to us. This assistance is in the form of low cost interest loans for commercial, industrial or community facilities or in the form of grants in some area of community redevelopment. Technical Assistance of almost every nature is available to us under this program on both the State and Federal levels of government. All of these aids to economic recovery does not indicate that someone else will do this job of redevelopment for us - but are tools that we may use to affect our own economic redevelopment. We are highly organized to do this job and the preliminary Overall Economic Development Plan is now in Washington for approval. We have been assured verbally that approval will be given by the Commerce Department in the next two weeks.

I mention this because the key to the economic redevelopment of the Carbon area rests on a water supply of sufficient stability to assure any industry, either new or existing, that desires to expand that they will have the advantage of a favorable industrial supply of water. Attendant needs with industrial expansion are increased demands for culinary supplies and local agriculture demands to satisfy a new market area right at home. Some of our first projects to be submitted under the authority of the approved Overall Economic Development Plan will involve water projects of many aspects. Much has been said of the industrial potential of Carbon County with its vast reserves of fossil fuel and we have always looked upon our County as being one of the main contributors to the general well being of the economy of the state. This era of well being cannot exist

without many things and chief among these is -- water. We cannot afford to lose any part of our water supply that we have always depended upon and on which our present economy is built. If an overabundance of water existed on our watershed, then the tenor of this hearing today would be substantially changed but in the case of Carbon County, this is not the case -- the supply is needed where it is TODAY!

Another facet of the Area Redevelopment Program as it relates to water is that we have involved NOW, several Federal agencies who realize that a stable water supply is and will be the key to our success. The lack of it at this date has held us back in some opportunities that had been presented to us in locating new industries allied with the coal industry particularly in coal by-products. These Federal Agencies are now engaged with us in some preliminary planning for water development because they believe that our present supply must be supplemented. We are now facing one of those situations that almost sounds impossible in the respect that while we have the USGS under the Department of Interior conducting surveys and studies for us; and while we have the Housing and Home Finance Agency providing funds for preliminary engineering and core drilling on a reservoir site, and while we have George Bradley, Western Area Representative of the Rural Area Development Administration of the Department of Agriculture telling us that we must do something to secure more water for light and heavy industrial enterprises and also for existing agriculture -- we have on the other hand a Federal Agency sponsoring the project under discussion today -- a project that would take away from us what we are trying the most to get.

We feel that the trans-mountain diversion contemplated under the North San Pete Watershed Project is certainly not in the best interests of the State of Utah because of the adverse effect it would have on Carbon County. In fact it would damage both parties to an irremediable degree and consequently do no one much good. A study of the economics of the San Pete project indicates that an extreme financial burden would be placed on water users and San Pete County. The damage to Carbon County is very obvious

Carbon County with a population of over 21,000, of which 15,000 reside along the Price River has faced the prevalent condition of a decline of population along with other rural counties of the state. We intend to reverse that trend. We know that agriculture can't do it - every county is making an effort in one way or another to provide job opportunities for your young people so that they may stay at home if they wish - the best opportunity we can give our present residents and the young ones coming along is to install industry in our areas. We can try to entice new industry, develop new industry among our own people or expand on existing industry. Carbon County is doing just this - but it can't be done if the vital element - water - is threatened or reduced in any way.

We look forward to further growth by the electric industry in Carbon County; we are working closely with the new Office of Coal Research under the Interior Department attempting to develop new or expanded uses of coal that will demand large tonnages of coal; we are exploring, together with interested parties, the feasibility of transporting coal by pipeline to electric utilities or any other user who can take advantage of what will become a new fuel. These are only a few of the avenues now open to use - and with time other opportunities will present themselves.

In summary, I should like to emphasize the following:

1. A trans-mountain diversion without exchange or replacement from a new source is a dangerous maneuver. Particularly when the water in question is now being beneficially used.
2. The municipalities and all other primary users have no confidence that Scofield Reservoir and its users can guarantee and perform to a degree providing for the continued and uninterrupted flow of primary water as outlined in the Tri-Partite Contract. Our experience during the past several years indicates that substantial damage will be levied upon the primary users who are innocent parties in this situation. We

We know for certain that no adequate guarantees exist for the primary users of the Price River as it applies to the San Pete project. Remember, this diversion is an attempt to divert one of the best streams that supply the primary rights above Scofield. This water is now passed through Scofield, then in the natural channel of the Price River and put to beneficial use in the Helper-Price area.

3. The Carbon area has always used the waters of the Price River. Our users and our economy depend on it. It has been in the same place since it started to flow. Contrast this to an area who has never had the benefit of it and whose economy has never depended on it.
4. The economy of Carbon County is not yet complete - we have certainly not reached the ultimate of our potential - we are still in the pioneering stage. The truth of the matter is that we need more water - not less.
5. Mr. Williams, Adm. of the Soil Conservation Service explained to me that one of the criteria for a Soil Project is the question of whether or not it is in the best interests of the state. We submit that the damage to Carbon County and the mere threat to our water supply in any manner, shape or form would not serve the best interests of the state. Carbon has an assessed valuation of \$33 million - 7th largest in Utah. It contributes now to the State of Utah much in way of payrolls, taxes and natural resources as yet untapped.
6. We believe that other sources of water are available to our neighbors in San Pete that would equal or surpass what they think they can divert by trans-mountain. We have no quarrel with any development they might undertake by way of improvement of their irrigation system - so long as it is on their side of the mountain.
7. Finally, we hear a great deal about the cost-benefit ratio. I ask you to compute the cost - adverse benefit ratio taking into consideration the adverse effect a project of this nature would have on Carbon County.

In closing, may I impress upon you again that insofar as the question of equity is concerned - that the equity lies with Carbon County.

That in the question as to what the BEST INTERESTS of the State of Utah are: that the best interests of the state lie ⁱⁿ maintaining the present level of the economy of Carbon County or increasing it where the opportunity may present itself - not in doing or undertaking an action that would injure 21,000 people.

Therefor, I ask you not to certify that this project, as it applies to the trans-mountain diversion feature of it, is in the best interests of the State of Utah.

In the name of the people that I represent, I thank you for this opportunity to appear before ~~you~~ and for the courtesy shown to me.

